

**A RESOLUTION BY COUNCILMEMBERS MICHAEL BOND AND CLETA WINSLOW
AS SUBSTITUTED BY COMMITTEE ON PUBLIC SAFETY AND LEGAL ADMINISTRATION**

A RESOLUTION AUTHORIZING THE PAYMENT OF UNPAID INVOICES FOR SERVICES RENDERED AND FINAL SETTLEMENT AND COMPROMISE OF A LAWSUIT AGAINST THE CITY OF ATLANTA FILED BY AMERICAN COMPUTER TECHNOLOGY, INC.; AND FOR OTHER PURPOSES.

WHEREAS, American Computer Technology filed suit in the Superior Court of Fulton County against the City of Atlanta ("City") on or about March, 2001, *American Computer Technology v. City of Atlanta, Civil Action File No. 2001CV35168*, alleging among other things, that the City breached its contracts with the firm and, alternatively, sought recovery on the basis of quantum meruit against the City for the reasonable value of services rendered; and

WHEREAS, American Computer Technology's lawsuit demanded compensation in the amount of \$5,503,381.00 plus interest, attorney's fees, and litigation expenses; and

WHEREAS, American Computer Technology performed services on the following projects for the City: Year 2000 Project Management Services, Mainframe Support Services, PeopleSoft Implementation, and PeopleSoft Support Services;

WHEREAS, American Computer Technology alleges that the City breached its obligations to pay the firm's various invoices for services which American Computer Technology contends it rendered at various times from the Summer of 1999 to December, 2000; and

WHEREAS, in its suit, American Computer Technology, Inc. seeks, among other things, damages for the alleged breach of its contracts, attorneys' fees, interest, and expenses of litigation in an amount in the amount of Five Million Five Hundred Three Thousand Three Hundred Eighty One (\$5,503,381.00) Dollars ; and

WHEREAS, the City denies the allegations but recognizes that it is in the City's best interest to resolve the lawsuit for a sum less than what the City may potentially pay if this matter is fully litigated adverse to the City on the merits; and

WHEREAS, American Computer Technology, Inc. expressed its willingness to accept a full, complete and final settlement of all claims under both Contracts against the City which have been brought, or which could have been brought, for the total sum of Two Million Nine Hundred Thousand (\$2,900,000.00) Dollars; and

WHEREAS, if approved by the City Council, American Computer Technology, Inc. will execute dismissal with prejudice and a release in favor of the City, its officers, agents, and employees; and

WHEREAS, the Law Department has concluded that the settlement of this lawsuit is reasonable and recommends that such settlement will be in the best interests of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATLANTA AS FOLLOWS:

Section 1: That the City Attorney be and is authorized to conclude the full, final and complete settlement of all claims which have been brought or which could have been brought against the City and its officers, agents, and employees by American Computer Technology, Inc. and that the City Attorney shall obtain a release and a dismissal with prejudice of the pending lawsuit, *American Computer Technology v. City of Atlanta*, Fulton Superior Court, Case Number 2001CV35168, together with a release and any other documents deemed necessary by the City Attorney to protect the City's interest.

Section 2: That the Chief Financial Officer is authorized and directed to pay to American Computer Technology, Inc. the total sum of Two Million Nine Hundred Thousand (\$2,900,000.00) Dollars to compensate American Computer Technology for services rendered and to settle the above referenced lawsuit, and said amount is to be charged to and paid from Account Number 1A01 529017 T31001. This Resolution and the payment authorized herein are conditioned upon any such payment to American Computer Technology, Inc. being subject to the certification of the availability of such funds by the Chief Financial Officer.

Section 3: That the payment recited herein is not to be construed as an admission of liability or responsibility and liability and responsibility are denied by the City.

Section 4: That this Resolution shall not become binding upon the City and the City shall incur no obligation or liability upon the same unless and until the conditions established in this resolution have been met.

A true copy,

Rhonda Dauphia Johnson
Municipal Clerk, CMC

ADOPTED as amended by the Council
RETURNED WITHOUT SIGNATURE OF THE MAYOR
APPROVED as per City Charter Section 2-403

SEP 17, 2001

SEP 26, 2001

Amendment Incorporated by tcp 9-26-01

RCS# 3127
9/17/01
7:02 PM

Atlanta City Council

Regular Session

01-R-1473

Payment of unpaid invoices in lawsuit
American Computer Technology, Inc.

ADOPT ON SUB *As Amended*

YEAS: 9
NAYS: 5
ABSTENTIONS: 0
NOT VOTING: 1
EXCUSED: 1
ABSENT 0

Y McCarty	Y Dorsey	N Moore	Y Thomas
Y Starnes	N Woolard	Y Martin	N Emmons
Y Bond	N Morris	E Maddox	Y Alexander
Y Winslow	N Muller	Y Boazman	NV Pitts

01-R-1473

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(Do Not Write Above This Line)

A RESOLUTION

BY



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ADOPTED BY
SEP 17 2001

COUNCIL

As Amended

- ☐ CONSENT REFER
☐ REGULAR REPORT REFER
☐ ADVERTISE & REFER
☐ 1st ADOPT 2nd READ & REFER
☒ PERSONAL PAPER REFER

Date Referred

9/4/01

Referred To:

Public Property

Date Referred

Referred To:

Date Referred

Referred To:

First Reading

Committee

Date

Chair C.T. Martin

Referred to

Committee

Date

Chair

Action:

Fav, Adv, Hold (see rev. side)

Other:

Members

Refer To

Committee

Date

Chair

Action:

Fav, Adv, Hold (see rev. side)

Other:

Members

Refer To

Committee

Date

Chair

Action:

Fav, Adv, Hold (see rev. side)

Other:

Members

Refer To

FINAL COUNCIL ACTION

☐ 2nd☐ 1st & 2nd☐ 3rd

Readings

☐ Consent ☐ V Vote ☒ RC Vote

CERTIFIED

CERTIFIED
SEP 17 2001

ATLANTA CITY COUNCIL PRESIDENT

CERTIFIED
SEP 17 2001



DEPUTY MUNICIPAL CLERK

MAYOR'S ACTION

APPROVED

SEP 26 2001

WITHOUT SIGNATURE
BY OPERATION OF LAW